



November 9, 2021

Ambassador Katherine Tai  
United States Trade Representative  
The Winder Building  
600 17th Street, NW  
Washington, DC 20508

Dear Ambassador Tai:

We welcome your recent remarks affirming the U.S. commitment to the World Trade Organization (WTO) and to successful outcomes at the upcoming 12<sup>th</sup> Ministerial Conference (MC12). We agree that the WTO can fulfill the promise of the Marrakesh Agreement by supporting market-based principles, promoting inclusive growth and addressing the challenges of today and tomorrow.

The U.S. and global economy, and the livelihoods of workers around the world, depend on an effective WTO. A level multilateral playing field helps American manufacturers, services suppliers, innovators and farmers – large and small – by enabling workers and communities to compete more fairly in markets around the globe. Since 1948, under the General Agreement on Tariffs and Trade and the WTO, world trade increased 40-fold in real terms to more than \$25 trillion today. More than 30 percent of U.S. GDP today is derived from trade, and over 40 million American jobs – 1 in 5 – depend on trade and trade lowers costs for American families.

A successful MC12 will require urgent U.S. leadership to secure concrete deliverables that advance U.S. interests and competitiveness in areas such as fisheries, domestic regulations, agriculture, e-commerce, trade facilitation and pandemic response. Such results will demonstrate that the WTO can produce meaningful outcomes and can set a foundation for future reforms and commitments. Outcomes that weaken WTO rules, however, such as by undermining longstanding disciplines on subsidies, electronic transmissions or intellectual property, would instead weaken core WTO principles and commitments as well as support for the institution.

Building off MC12, the WTO needs reform to meet the demands of today by modernizing its agreements and ensuring members follow existing rules and commitments. We support advancing a comprehensive WTO reform agenda that tackles dispute settlement, special and differential treatment, distortive non-market industrial subsidies, and state-owned enterprises. Reforms should also cover emerging services and technologies, enhance inclusivity, and help

harness trade to address climate change. A modern WTO should expand plurilateral pathways to trade liberalization, update institutional rules and procedures, improve monitoring, promote greater transparency through notifications, and involve more stakeholders.

WTO dispute settlement holds parties to their commitments. Reforming the WTO dispute settlement system will require the United States to offer concrete and detailed proposals that address longstanding process and appellate body overreach concerns to enable the system to resolve disputes efficiently and effectively. The United States has successfully used WTO dispute settlement to challenge WTO violations without resorting to unilateral measures that draw retaliation and tit-for-tat escalation. Reforming and restoring the system will support U.S. interests and can hold WTO members accountable to their commitments.

The Administration can best support the international rules-based system and the WTO by making concrete proposals and partnering with allies who share market-based trade liberalization, modernization, and reform principles. Moreover, scheduling more frequent Trade Ministers meetings could help overcome impasses, support reforms and foster progress. We will continue to work with you and your team to advance our shared goals for the WTO. U.S. companies, workers, and families will all benefit when the WTO achieves what it was established to do.

Sincerely,

American Chemistry Council  
American Farm Bureau Federation  
American Property Casualty Insurance Association  
Business Roundtable  
Business Software Alliance  
Coalition for Services Industries  
National Foreign Trade Council  
U.S. Chamber of Commerce  
U.S. Council for International Business